

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
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FISCAL IMPACT STATEMENT

LS 7122

BILL NUMBER: SB 179

DATE PREPARED: Dec 30, 2000

BILL AMENDED:

SUBJECT: Funding for State Parks.

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FUNDS AFFECTED: ☒ **GENERAL**
☒ **DEDICATED**
FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill provides that after the transfer of surplus Lottery revenue is made for Motor Vehicle Excise Tax replacement purposes, 10% of the money remaining in the Lottery and Gaming Surplus Account is transferred to the State Park Improvement Account. Money in the account may be used only for funding improvements to state park campground facilities and lodges and the operation of recreational programs in state parks.

Effective Date: July 1, 2001.

Explanation of State Expenditures: Money in the State Park Improvement Account may only be expended for the following two purposes: any extension, remodeling, renovation, or other improvement to state park campground facilities and lodges; or the operation of recreational programs in state parks. Based on revenue collections for the past four years, revenue that would be available for state parks would equal \$14 M. (See table below.) The funding for state parks will result in a decrease in revenue of \$14 M available for the State and Local Capital Projects Account (SLCPA).

Background: Under the current statute, surplus Lottery revenue is first transferred to the Teachers' Retirement Fund (TRF) and the Pension Relief Fund (PRF). Once these transfers are made, surplus Lottery revenue is then distributed to the Lottery and Gaming Surplus Account (LGSA) within the Build Indiana Fund.

The LGSA also receives surplus gaming revenues (revenues from the Riverboat Wagering Tax, the Parimutuel Wagering Tax, and the Charity Gaming Excise Tax). A statutorily determined amount of revenue in the LGSA is transferred each year to the Motor Vehicle Excise Tax Replacement Account (MVETRA) within the state General Fund. (Beginning with FY 2002 and continuing each year thereafter, this amount is equal to approximately \$236.2 M.) The remaining money in the LGSA is then transferred to the SLCPA. The table below outlines the actual and estimated lottery and gaming revenue for FY 2000 to FY 2003, along with the required statutory distributions.

Surplus Lottery and Gaming Revenue & Distributions (Millions)

Revenues & Distributions	FY 2000 (Actual)	FY 2001 (Projected)	FY 2002 (Projected)	FY 2003 (Projected)
Surplus Lottery Revenue	\$173.3	\$167.0	\$167.0	\$167.0
TRF Transfer	(\$30.0)	(\$30.0)	(\$30.0)	(\$30.0)
PRF Transfer	(\$30.0)	(\$30.0)	(\$30.0)	(\$30.0)
Surplus Lottery Revenue to the LGSA	\$113.3	\$107.0	\$107.0	\$107.0
Surplus Gaming Revenue to the LGSA	\$252.5	\$256.6	\$256.6	\$256.6
Interest	\$18.1	\$14.0	\$14.0	\$14.0
Total Revenue to LGSA	383.9	377.6	377.6	377.6
MVETRA Transfer	(\$219.8)	(\$234.7)	(\$236.2)	(\$236.2)
Balance after MVETRA Transfer	\$164.1	\$142.9	\$141.4	\$141.4
10% to State Parks	N/A	N/A	\$14.1	\$14.1
Balance after State Park Transfer	N/A	N/A	\$127.3	\$127.3
Current SLCPA Transfer	(\$164.1)	(\$142.9)	(\$141.4)	(\$141.4)
SLCPA Transfer Under Proposal	(\$164.1)	(\$142.9)	(\$127.3)	(\$127.3)

The balance of the BIF as of June 30, 2000, was \$342.1 M.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: State Parks.

Local Agencies Affected:

Information Sources: State Budget Agency.